Rep. Peter Welch (D-Vt.) is working to notify Vermont non-profits of a filing requirement with the IRS that may affect their status as tax-exempt organizations.

According to the IRS, close to 1,000 Vermont non-profits are at-risk of losing their tax-exempt status because of a failure to file the appropriate paperwork. The confusion stems from a 2006 law that requires small tax-exempt organizations to file an annual return with the IRS, something they were previously not required to do. According to the law, any tax-exempt organization that fails to file this yearly return for three consecutive years automatically loses its federal tax-exempt status.

"Many Vermont non-profits provide necessary services to those in need and rely on their tax-exempt status in order to operate," Welch said. "Often, the people who run smaller organizations do so out of a commitment to their community but also have a full-time job and other responsibilities. It would be a shame to see good, effective organizations suffer because they missed a paperwork deadline. I would urge any non-profit needing assistance with this paperwork to call my office at 888-605-7270 or visit my website at www.welch.house.gov. "

In response to an overwhelming number of non-profits nationwide that have failed to meet this requirement, the IRS is offering a one-time relief program to at-risk organizations that extends the filing deadline to October 15, 2010. Information about at-risk organizations in Vermont and how they can comply with the October 15th filing deadline can be found on Welch's website by clicking here.